For immediate release 19 June 2024

ALLIANCE PHARMA PLC
("Alliance" or the "Group")

Preliminary Results for the year ended 31 December 2023

Strong revenues on H2 recovery, leverage reduced, Board strengthened

Alliance Pharma plc (AIM: APH), the international healthcare group, presents its preliminary results for the year ended 31 December 2023 (the "Year" or the "Period"). As previously communicated in our full year trading update on 29 January 2024, a strong second half performance drove record sales for the Year and further underlying profit expansion. With continued investment planned to support new product development and increased marketing, the Group is well positioned for growth over the medium term.

FINANCIAL SUMMARY

Year ended	2023 Underlying (£m)	2023 Reported (£m)	2022 Underlying (£m)	2022 Restated[1] (£m)	Growth underlying	Growth reported[1]
Revenue (see-through basis)[2]	182.7	182.7	172.0	172.0	6%	6%
Revenue (statutory basis)	180.7	180.7	167.4	167.4	8%	8%
Gross profit	105.0	105.0	101.7	101.7	3%	3%
Profit/(loss) before taxation ("PBT")	31.5	(48.8)	30.3	(23.1)	4%	111%
Basic earnings per share	4.55	(6.13)	4.28	(3.93)	6%	56%
Free cash flow[2]		21.3		15.8		35%
Cash from operations		36.9		24.9		48%
Net debt[2]		91.2		102.0		
Proposed total dividend per share		nil		1.776		

OPERATING AND FINANCIAL SUMMARY

- Consumer Healthcare see-through revenue[2] up 11% at constant exchange rates ("CER") to £136.4m (2022: £125.2m) and up 9% on a reported basis.
- Continued strong consumer demand driving significant recovery in Kelo-Cote franchise revenues in H2, with FY 2023 revenues reaching £63.2m, +29% CER.
- Prescription Medicine performance broadly stable with revenues of £46.3m (2022: £46.8m).
- Non-cash impairments of £79.3m due to lowered future cash flow expectations and higher cost of capital, of which £46.4m relates to Amberen, £10.3m to Nizoral, and £22.6m to twenty smaller assets in aggregate.
- The correction of valuation errors for the prior year has yielded a £28.3m increase to non-cash impairment charges reported in 2022, of which £20.0m relates to Amberen and £8.3m to other intangibles
- Underlying PBT increased 4% to £31.5m (2022: £30.3m) and reported loss before tax was £48.8m (2022 restated: £23.1m loss).
- Robust free cash flow of £21.3m (2022: £15.8m), up 35%.
- Net debt reduced to £91.2m moving Group leverage to 2.05x at 31 December 2023 (2.69x at 30 June 2023, 2.57x at 31 December 2022).

- Dividend remains paused while Board considers new dividend policy with cash prioritised for reinvestment in the business to drive growth.

DEVELOPING OUR BUSINESS

- Strong performance from latest US acquisition, ScarAway, with £9.9m revenue, up 20% CER on like-for-like basis, exceeding original expectations.
- Progress continues to be made on brand innovation, with £3.5m of revenues from internal development (2022: £1.7m)
- Leveraged our ecommerce knowledge to broaden the geographic reach of our ecommerce platforms and enter new markets, with further expansion planned in 2024.
- Nizoral manufacturing moved from Belgium to Thailand driving cost savings, improving on time in full order delivery and reducing carbon emissions.
- 48% reduction in Scope 1 and 2 emissions (versus 2018 baseline), on track to meet interim 65% reduction target by 2025 and achieve net zero in 2030. All scope 1 & 2 emissions offset through carbon credits.
- Scope 3 emissions target set to achieve net zero by 2044 (versus 2022 baseline), with an interim reduction target of 25% by 2030.
- Re-certified as a Great Place To Work® in UK, US, China and Singapore.
- Strengthened Board of Directors with appointment of Jeyan Heper, Martin Sutherland, Richard McKenzie and Eva-Lotta Sjöstedt and by the post year-end appointments of new Chair, Camillo Pane and new CEO, Nick Sedgwick
- Successful appeal of Competition and Markets Authority ("CMA") decision clearing Alliance, Peter Butterfield and John Dawson former CEOs, of any wrongdoing. £7.9m provision for potential fine now released.

Camillo Pane, Chair of Alliance, said:

"I am delighted to be joining Alliance at such an important time for the company. Alliance has a strong global footprint in several fast growth Consumer Healthcare categories. Further to the announcement that Peter Butterfield will be leaving Alliance, I am looking forward to working with our new CEO, Nick Sedgwick, and, together with the wider management team, I am focused on ensuring we deliver shareholder value."

Commenting on the results, Andrew Franklin, Chief Financial Officer of Alliance, said:

"Whilst the audit delay has been unsatisfactory, it has allowed us to implement a more robust intangible valuation review process. Despite the non-cash impairments our portfolio continues to provide a solid platform from which to grow our Consumer Healthcare brands and generate strong cash flow. In 2023, we increased marketing investment, launching award winning advertising campaigns for Kelo-Cote and MacuShield to accelerate organic sales growth whilst bringing new products to market. Our revenues through ecommerce are building strongly, as we strengthen our network of specialist partners and internal capabilities and enter new geographies.

"We remain confident in our medium to long-term performance as we focus our resources on those market segments in which we already have a strong presence and expertise in order to drive solid organic revenue growth above that of the broader Consumer Healthcare market."

Outlook for 2024

Alliance's clear focus on the core Consumer Healthcare business, in addition to our well-established, scalable platform, is expected to deliver continued modest revenue growth. Group performance in the five months to end May is in-line with the Board's expectation.

As we continue to refine our strategy we intend to move towards smaller, more regular order fulfilment, to create a more consistent revenue stream, reducing the stocking and destocking cycles we've experienced over the last two years as we've changed distributors, moved manufacturing and managed through the COVID environment.

In 2024 we will continue to increase investment in sales, marketing and innovation to maintain our brand leadership position in key categories.

The Board continues to anticipate that profits in FY 2024 will be in-line with FY 2023. As in previous years, performance is expected to be H2 weighted, particularly in Nizoral.

We remain confident in our ability to further capitalise on identified organic growth opportunities within the business and to deliver positive financial performance which will help drive the de-levering of our balance sheet.

[1] *Restated, see note 2 for further detail*

[2] *The performance of the Group is assessed using Alternative Performance Measures ("APMs"), which are measures that are not defined under IFRS, but are used by management to monitor ongoing business performance against both shorter term budgets and forecasts and against the Group's longer term strategic plans. APMs are defined in note 15.*

Specifically, see-through revenue includes all sales from Nizoral as if they had been invoiced by Alliance as principal. For statutory accounting purposes the product margin relating to Nizoral sales made on an agency basis is included within Revenue, in line with IFRS 15.

Underlying measures exclude certain items classed as non-underlying to allow the Group's financial performance to be compared more easily against the majority of its peers. For further detail on non-underlying items please see note 5.

ANALYST MEETING & WEBCAST

A meeting for analysts will be held at 10:00am this morning, 19 June 2024, at Buchanan, 107 Cheapside, London EC2V 6DN. For further details, analysts should contact Buchanan at alliancepharma@buchanan.uk.com

A live webcast of the analyst meeting will be available at this link:

https://stream.buchanan.uk.com/broadcast/65e0c6b14fdf0119e94f5747

A recording of the webcast will be made available at the investor section of Alliance's website, https://www.alliancepharmaceuticals.com/investors/

ANNUAL GENERAL MEETING

This year's AGM will be held at 10:00am on 29 July 2024, at the offices of Buchanan, 107 Cheapside, London EC2V 6DN. Further details will be included in the Notice of AGM, which will be published shortly.

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Alliance Pharma plc

Patrick Robb / Maria Gomez de Olea

About Alliance

Alliance Pharma plc (AIM: APH) is a growing consumer healthcare company. Our purpose is to empower people to make a positive difference to their health and wellbeing by making our trusted and proven brands available around the world.

We deliver organic growth through investing in our priority brands and channels, in related innovation, and through selective geographic expansion to increase the reach of our brands. Periodically, we may look to enhance our organic growth through selective, complementary acquisitions.

Headquartered in the UK, the Group employs around 290 people based in locations across Europe, North America, and the Asia Pacific region. By outsourcing our manufacturing and logistics we remain asset-light and focused on maximising the value we can bring, both to our stakeholders and to our brands.

For more information on Alliance, please visit our website: www.alliancepharmaceuticals.com

Alliance Pharma plc

Introduction

As previously communicated, this year's audit process has taken longer than anticipated as we faced a number of challenges from which we have learned valuable lessons. Deloitte identified some weaknesses in our internal control environment, including our approach to the valuation of our intangible brand assets. Whilst the audit delay is unsatisfactory, it has allowed us time to implement a thorough review of our processes, and perform more detailed work in respect of impairments. This enhanced impairment review is now more robust, and we are working on a plan to ensure we are in a strong position for future audits.

Trading performance

The Group delivered record see-through[1] revenues in the Period of £182.7m (2022: £172.0m), up 6% versus the prior period and up 7% at constant exchange rates ("CER"). Excluding sales from ScarAway and the US rights to Kelo-Cote in Q1 23, both acquired in March 2022 (the "US Acquisition"), like-for-like see-through revenues increased 6% CER.

Group revenue was adversely affected by exchange rate movements throughout 2023, principally the strengthening of Sterling against the Hong Kong Dollar and Chinese Yuan, which decreased see-through revenue by approximately £2.1m. Statutory revenue increased 8% to £180.7m (2022: £167.4m) and up 9% CER.

Revenue summary

Year ended 31 December	2023 £m	2022 £m	Growth	CER growth
Kelo-Cote franchise	63.2	50.0	26%	29%
Amberen	11.2	14.9	-25%	-25%
Nizoral*	21.7	21.8	-1%	3%
Other Consumer brands	40.3	38.4	5%	5%
Total Consumer Healthcare	136.4	125.2	9%	11%
Prescription Medicines	46.3	46.8	-1%	-1%
See-through revenue*	182.7	172.0	6%	7%
LFL Consumer Healthcare see-through revenue, excl. US Acquisition*	*133.8*	*125.2*	7%	9%
LFL see-through revenue, excluding US Acquisition*	*180.1*	*172.0*	5%	6%
Statutory revenue – Consumer Healthcare	134.3	120.6	11%	13%
Statutory revenue – Group	180.7	167.4	8%	9%
LFL Consumer Healthcare statutory revenue, excluding US Acquisition	131.7	120.6	9%	11%
LFL Group statutory revenue, excluding US Acquisition	178.1	167.4	6%	8%

Consumer Healthcare

Total see-through Consumer Healthcare revenues for the Year were £136.4m (2022: £125.2m), up 9% on the prior year (+11% CER) benefitting from an additional quarter of sales from the US Acquisition. On a statutory basis, reported Consumer Healthcare revenues were £134.3m, up 11% from the previous year (2022: £120.6m) and up 13% CER.

Excluding the impact of the US Acquisition, like-for-like see-through Consumer Healthcare revenue increased 7% (+9% CER) to £133.8m, whilst on a statutory basis, like-for-like Consumer Healthcare revenues increased 9% to £131.7m (+11% CER).

Kelo-Cote franchise – scar prevention and treatment

Continued strong consumer demand, particularly in China, drove significant recovery in Kelo-Cote franchise revenues in H2, following the previously communicated 4% decline in H1 due to lower order volumes from our China cross-border partner during a period of destocking. Consequently, FY23 revenues increased 29% CER to £63.2m (2022: £50.0m).

Whilst revenues in China make up over 66% of the total Kelo-Cote franchise, we saw strong growth in smaller markets where we are beginning to leverage our global presence to drive targeted consumer activation campaigns. Our first UK outdoor campaign was particularly successful, increasing sales in the UK by 36% in the year versus 2022, and was followed by a multimedia digital marketing campaign. The assets for this campaign were designed to have global appeal and will be used in other geographies this year.

Our most recent acquisition of the US rights to ScarAway and Kelo-Cote (which completed in March 2022), created the Group's first fully global brand. The integration of both assets has gone very smoothly with full transition completed in just four months. ScarAway sales reached £9.9m in 2023, exceeding our expectations to rise 20% CER on a like-for-like basis as we increased marketing investment behind the brand and worked with our CMO partner to bring key SKUs to market that had been discontinued by the previous owner. We continue to see opportunities for further growth and range extensions.

Recent new product introductions across the Kelo-Cote franchise are performing well with a second year of strong revenues for Kelo-Cote Kids in APAC. In Q1 24, we launched ScarAway Kids and ScarAway Acne Scar Gel in the US on Amazon, whilst further activation campaigns are planned for recently launched Kelo-Cote Sheets.

Starting this year, our ambition is to move towards smaller, more regular order fulfilment, to create a more consistent revenue stream, reducing the stocking and destocking cycles we've experienced over the last two years. This is expected to yield mid-single digit revenue growth for the Kelo-Cote franchise in 2024, before returning to double-digit growth from 2025.

Nizoral – medicated anti-dandruff shampoo

Nizoral revenues increased 3% CER to £21.7m (2022: £21.8m) reflecting both market share and distribution gains. Performance in 2023 showed marked volatility in growth in H1 versus H2 due to the timing of distributor orders received in 2022. H1 revenues grew 40% CER versus H1 22, benefitting from the aforementioned timing and some inventory build ahead of a move in manufacturer, whereas H2 revenues declined 18% CER, limiting overall growth in the year.

Having completed the transfer of all the marketing authorisations from Johnson & Johnson ("J&J") to Alliance in 2022 we were able to bring in a new distributor and begin the process to consolidate manufacturing in Asia in 2023. Our new Chinese distributor has identified strong growth opportunities through expanding the brand's reach, supported by our marketing initiatives. A new out-of-home campaign was launched in the top nine cities in China in August focused on new user recruitment and was supported by our distributor partner's in-store promotional activity.

The roll-out of our strategic brand plan for Nizoral is now well underway, with consumer activation campaigns ongoing across a number of other territories where Nizoral commands a market leading position, including Australia, South Korea, Thailand and the Philippines. These campaigns are run in partnership with our local distributors, as part of a growth strategy centred around consumer and healthcare professional activation, e-commerce, and I&D. We launched new, modernised packaging in Thailand, designed to appeal to a younger audience, with marketing focussed on social media platforms popular with this demographic. This new packaging will be launched in other markets in 2024.

During the year we also selected a new manufacturer in Thailand and have now completed the transfer of manufacturing from J&J's site in Belgium. We anticipate that this will deliver advantages through COGS reductions, improvements in on time, in full, order fulfilment and reduced carbon emissions. We expect further reductions in carbon emissions through changes to product packaging.

The inventory build in H1 23 to secure supply during the move to the new manufacturer began to unwind in H2 23, and continued to do so through H1 24. Whilst we anticipate a strong H2 24 as we launch new products, sales for FY 2024 are expected to be broadly in line with FY 2023.

As part of our annual impairment review, we have adopted a more conservative approach and lowered future growth expectations for Nizoral until we have greater certainty on consumer response to our marketing campaigns and new product launches. We have therefore impaired the carrying value of Nizoral by £10.3m.

Amberen – vitamin mineral supplement (VMS) for the relief of menopause symptoms in the US

Amberen revenues declined 25% CER to £11.2m (2022: £14.9m) and fell 6% CER on an underlying basis (excluding the leading discount store account that was lost in 2022). Whilst this performance was below our expectations at the beginning of the Year, it reflects challenging conditions in both the wider US consumer market and specific issues with Amazon. These included a change to the billing for Amazon's warehouse space and its' price comparison approach, in addition to the delisting of the perimenopause product, albeit for a few months, due to the incorrect application of an algorithm that screens advertising claims.

Despite these challenges, Amberen revenues on Amazon still grew strongly in the period, but lagged total category growth which was driven primarily by new entrants. The bricks and mortar market for VMS menopause relief continues to decline, falling 7% in value terms in 2023 as consumers pivot to ecommerce platforms.

As a consequence of 2023 performance, and as part of the annual impairment review, we have reassessed the expected future cash flows generated by Amberen, taking into account future planned innovation launches, marketing investment, increased competition and a higher cost of capital due to the overall increase in borrowing rates. Whilst Amberen continues to remain a profitable and cash generative brand, we have further impaired the carrying value of Amberen by £46.4m.

We remain focussed on addressing these brand and marketplace issues, through strengthening both the internal and external capabilities in ecommerce and digital marketing. We have also increased the level of marketing support to revert the brand to growth. Amberen for menopause remains the largest SKU in value terms across the category in the US and we are focused on developing an innovation pipeline, to underpin the growth of the brand in the longer-term and widen the product range to cover a multiple set of benefits in line with consumers' needs.

We have also undertaken a review of the valuation of Amberen in the 2022 accounts to correct for errors noted in the valuation model. Adjusting for these corrections in the prior year, the impairment charge for Amberen would have totalled £32.0m for the year ended 31 December 2022, compared to the £12.0m actually reported. Further information on this prior year adjustment is set out in Note [2].

Other Consumer Healthcare brands

Our underlying business remains strong, with Other Consumer Healthcare revenues increasing 5% CER to £40.3m (2022: £38.4m), despite regulatory delays in some products impacting stock availability in H1 23. These issues have now been resolved. We saw particularly strong growth from Oxyplastine (skin care) and Ashton & Parsons (teething powder). The robust performance in our Other Consumer Healthcare brands clearly illustrates the benefits of a diversified portfolio, and we anticipate mid single-digit growth in this portfolio of products in 2024.

Prescription Medicines

The Prescription Medicines business continues to deliver stable revenues with £46.3m (2022: £46.8m), in the Year, down 1% on the prior year, reflecting a strong recovery in H2 as expected, as previously out of stock products became available. Our two largest prescription brands Hydromol (emollient for the treatment of eczema) and Forceval (nutritional supplement), both performed well in the year delivering record sales of £9.0m and £6.6m respectively.

Profit and loss development

Whilst see-through revenues increased 6% in the Year, gross profit increased 3% to £105.0m (2022: £101.7m) due to a less favourable product mix (comprising fewer higher margin Amberen sales and the impact of regulatory delays in some products restricting stock availability in H1 2023), and an increase in warehouse and distribution costs primarily related to Amazon in the US. Gross margin reduced by 160 basis points to 57.5% of see-through revenue (2022: 59.1%) and gross margin relative to statutory revenue was 58.1% (2022: 60.8%).

However, through robust control of the costs we actively manage, operating costs (defined as underlying administration and marketing expenses, excluding depreciation and underlying amortisation charges) decreased 5% versus the prior year to £59.1m (2022: £62.3m).

With a £0.8m increase in share option charges versus prior year (2023: £0.9m, 2022: £0.1m), underlying earnings before interest, taxes, depreciation, and underlying amortisation (EBITDA) increased 15% to £45.0m (2022: £39.2m), whilst underlying operating profit (EBIT) increased by 17% to £41.9m (2022: £35.7m). Reported operating loss increased by £20.8m to give a £38.4m loss (2022 restated: £17.7m loss), after non-underlying items of £80.3m (2022 restated: £53.4m).

Net finance costs of £10.4m include a £4.6m increase in interest payable to £10.0m (2022: £5.4m), due to an increase in borrowing costs, reflecting the rise in interest rates together with net exchange losses of £0.5m (negligible gain in 2022).

As a result of higher finance costs, underlying profit before tax increased by only 4% to £31.5m (2022: £30.3m), resulting in a 40 basis point margin reduction to 17.2% of see-through revenues. Reported profit before tax decreased to a £48.8m loss (2022 restated: £23.1m loss), primarily due to higher non-underlying impairment charges in 2023.

With an underlying tax charge of £6.9m (2022: £7.2m) equating to an underlying effective tax rate of 22.0% (2022: 23.9%), underlying basic earnings per share increased 6% to 4.55p (2022: 4.28p). Reported basic earnings per share was a loss of 6.13p (2022 restated: 3.93p loss) due to the impact from non-underlying items on reported earnings in 2023 versus 2022.

Further detail on non-underlying items is provided below and in note 5.

Non-underlying items

Non-underlying items in the year principally comprised amortisation charges for Prescription Medicines and certain other brand assets, together with impairment charges identified as a result of the annual impairment review (see note 5).

For 2023, impairment charges of £79.3m includes a charge of £46.4m in relation to Amberen, together with £32.9m relating to a number of other products (including £10.3m for Nizoral) driven by changes to their financial outlook following certain, previously reported out of stock and regulatory issues, and the increased cost of capital for the business as a whole.

Post year end and as previously mentioned, we were successful in our appeal of the CMA decision. As this is an adjusting post balance sheet event we have removed the provision relating to the potential fine of £7.9m, accordingly. This has been recorded as a non-underlying event, consistent with the treatment when the original accrual was made in 2021.

Balance sheet development

Intangible assets decreased by £93.4m in the year to £300.0m (31 December 2022 restated: £393.4m) reflecting non-underlying amortisation and impairment charges of £86.5m, underlying amortisation of £1.9m and exchange rate-related revaluation adjustments of £5.0m.

Net working capital at 31 December 2023 was £43.4m, an increase of £5.4m on that at the start of the year (31 December 2022: £38.0m), primarily reflecting movements in accounts receivable balances.

Inventories, net of provisions, increased £1.4m to £25.7m at 31 December 2023 (31 December 2022: £24.3m).

Accounts receivable increased by £5.4m to £54.7m, reflecting the timing of sales and cash receipts in the second half of the year, versus the equivalent period in 2022. Accounts payable was broadly in line with the prior year, up £1.5m to £37.1m.

Following a comprehensive review of our brand and intangible assets we have reassessed the carrying value and identified errors in the impairment review performed in 2022. As a consequence, we increased the 2022 impairment of intangibles assets by £28.3m. As discussed previously, £20.0m of this relates to Amberen, whilst £8.3m comprises other assets, including £3.4m relating to the Flamma franchise.

Cash generation

Free cash flow (see note 15 for definition) for the year rose 35% to £21.3m (2022: £15.8m), due to the strong trading performance in H2. Cash generated from operations increased by 48% to £36.9m (2022: £24.9m).

This solid cash generation supported a reduction in net debt of £10.8m to £91.2m at 31 December 2023 (31 December 2022: £102.0m), with Group leverage (the ratio of net bank debt to EBITDA) decreasing to 2.05 times (31 December 2021: 2.57 times). Interest rate cover (the ratio of EBITDA to finance charges) decreased to 4.82 times (31 December 2022: 7.39 times) reflecting the increase in net interest cost on rising interest rates.

Net debt and Group leverage are both expected to fall further during 2024, particularly in the second half, with Group leverage expected to be below 2.0 times by the end of 2024.

Dividend

As detailed in the interim statement on 26 September 2023, the dividend was paused to allow the Board to develop a new dividend policy with greater emphasis on reinvestment in the business to drive growth. Taking account of shareholder feedback, the Board has decided that no dividend will be declared for 2023 with cash prioritised for investment in innovation, development, brand marketing and reducing debt. The Board expects to provide an update on dividend policy when appropriate.

Corporate developments

In August we successfully completed the refinancing of our Revolving Credit Facility, which was scheduled to mature in July 2024. The facility was agreed with the Group's existing syndicate of supportive relationship banks. Through the refinancing we took the opportunity to resize and reduce the total committed facility by £15m to £150m, whilst increasing the Accordion by £15m to £65m. The covenants include a net leverage and interest cover test. The facility is available until August 2026, with two further one-year extension options.

On 23 May 2024 we announced the successful conclusion of our appeal before the Competition Appeal Tribunal ("CAT") of a decision by the UK Competition and Markets Authority ("CMA"). In a unanimous judgment, the CAT upheld Alliance's appeal, finding that there was no agreement to exclude competition from the market and no breach of competition law. The CMA's decision and £7.9m penalty imposed on Alliance have been set aside. In particular, the CAT found that Alliance's two key witnesses, former Alliance CEOs Pete Butterfield and John Dawson, were both impressive and compelling, with their evidence singled out by the Tribunal in its concluding remarks. Director disqualification proceedings brought by the CMA against the two former Alliance CEO's, the first limb of which was joined to the appeal, will also now fall away.

In 2021 we provided for the potential penalty, but now reverse this provision.

Innovation and Development (I&D)

In 2023, £3.5m of Group revenues were generated by products developed and launched by Alliance, representing 2.5% of total consumer sales in the year and more than twice the revenues delivered in 2022 (£1.7m). This is a good step in the right direction and a pleasing performance given that our dedicated Innovation and Development (I&D) team was only established in 2021, and validates our decision to invest in it further.

Kelo-Cote Kids (launched in 2022) and Canker-X, part of the Aloclair brand franchise (launched in early 2023), were responsible for the majority of these revenues. Amberen Advanced Menopause Relief gummy was launched in late 2023.

This year we will double our investment in I&D as we aim to achieve 10% of Consumer Healthcare sales through products developed on our I&D platform within the next five years. New products already launched in 2024 include ScarAway Kids and ScarAway Acne Scar Gel, both in the US.

In May 2024 we launched a second gummy in the Amberen range, which uses a different active ingredient to the original gummy launched in late 2023. This new gummy aims to promote positive energy, mood and improve sleep, which is particularly relevant to the perimenopause market.

Continuing our sustainability journey

We continue to make good progress against our environmental sustainability agenda in 2023, setting a target to reach net zero for all Scope 3 emissions by 2044, with an interim target of 25% reduction by 2030, in addition to our previously published target to reach net zero Scope 1 & 2 emissions by 2030. This year we conducted a climate change risk assessment and scenario analysis to support the publication of our second voluntary stand-alone TCFD report and more extensive voluntary TCFD disclosures on our journey to mandatory TCFD compliance.

During the Year we have invested to install photovoltaic panels on the roof of our UK Headquarters in Chippenham. This program of work also includes the installation of a new, more efficient substation and electric vehicle charging points. When this work completes and the panels become operational, we will be able to generate around 25% of our own electricity needs.

Throughout the Year we developed a number of social and governance workstreams. We appointed a new e-learning provider to deliver "gamified", engaging compliance training to our colleagues, including data protection, unconscious bias, modern slavery, anti-bribery and corruption and competition awareness training. We also entered a three-year partnership with the social enterprise Slave Free Alliance ("SFA"), to safeguard individuals across our business from modern slavery and human trafficking, including those in our supply chain. Working with SFA we carried out a gap analysis, strengthened our Modern Slavery Statement and provided training to our quality, sourcing and supply chain teams to help these teams better identify modern slavery "red flags" during quality audits and supplier site visits.

We implemented a partner code of conduct in 2022 and, throughout 2023, have worked to ensure that all of our Contract Manufacturing Organisations (CMOs) and distributors agree to comply with our code.

We have also introduced an employee code of conduct, which includes a section on our speak up policy. To support this, we have engaged Safecall, an independent reporting helpline to allow colleagues and external partners to raise concerns anonymously from over 100 countries. The service is operational for 24 hours a day, seven days a week, and available in over 60 languages.

Further detail on the progress we have made with our sustainable business strategy will be provided in our Online Sustainability Report, which will be published shortly on our website.

Building a strong alliance of colleagues

Our business, and the delivery of our strategy, is only possible due to our network of talented, dedicated colleagues. We currently employ more than 290 people in nine locations around the world. We created eight new roles in 2023, including Chief Operating Officer, as we looked to meet our evolving business needs. This, in addition to the head count expansion we delivered in 2022, means we now have the right size organisation to support our medium-term strategy.

We have also continued our talent development programmes to ensure we attract and retain an appropriate mix of skilled professionals. In 2023 we welcomed the second cohort of our graduate and year in industry programmes to support those at the early stages of their career development, which also complements our existing apprenticeship programme in the UK.

Our investment in colleague engagement continues to pay dividends as evidenced by our re-certification as a Great Place to Work in the UK, US China and Singapore. In the 2023 survey we were pleased to have received an overall Trust Index rating of 74% (2022: 79%) with 73% of participants globally saying that Alliance was a Great Place to Work (2022: 82%).

On behalf of the Board, we would like to thank all those colleagues who helped us to deliver our achievements in 2023.

Board and executive changes

Alliance has successfully continued its journey towards becoming a fast growth Consumer Healthcare company, with Consumer Healthcare revenues representing 75% of group revenues in the Period. The

Board and executive team have evolved accordingly in 2023, to ensure that the Group has the right skills and expertise to align with its longer-term strategy.

In February 2023, we welcomed Jeyan Heper to the Alliance Board as an executive in the newly-created role of Chief Operating Officer. Jeyan has a strong track record of strategic leadership in the international consumer health market, overseeing a number of global programs and driving growth in flagship brands. In his career spanning more than 25 years Jeyan has held senior executive roles at Procter & Gamble, Danone Group and Ansell's sexual wellness global business, before it was spun-out to become Lifestyles Healthcare, a private equity/pharma-owned company where Jeyan became CEO. Jeyan has helped to bolster the Group's operational capabilities, identify growth opportunities, and is supporting the delivery of the Company's strategy to expand its consumer health presence through leveraging his experience of e-commerce in China and the US, and improving operational effectiveness.

The Board was strengthened further by the appointment of Martin Sutherland as an additional Independent Non-Executive Director in February 2023. Martin is a senior executive with over 30 years' experience in global businesses and is currently Non-executive Chair of Logiq Consulting Ltd, and a Non-Executive Director at both Forterra plc and XPS Pensions plc. Prior to this, Martin was CEO of De La Rue PLC. Martin has a proven track record of delivering growth through new product innovation, market diversification and international expansion.

In November 2023, we added a further two new Independent Non-Executive Directors, Eva-Lotta Sjöstedt and Richard McKenzie. Eva-Lotta has in-depth knowledge of global consumer retail, supply chain and digital transformation and has held leadership roles in consumer-facing industries across Europe, Japan, China and the USA. From 2016 to 2018, Eva-Lotta was CEO of Georg Jensen, the luxury jewellery and Scandinavian design brand. Prior to this Eva-Lotta was CEO at Karstadt, a chain of premium department stores in Germany with a strong e-commerce presence. She started her career at IKEA, establishing the business in Japan where she worked for four years before becoming CEO of IKEA Netherlands and then Deputy Global Retail Manager. In this role she was responsible for IKEA's global multi-channel strategy and the implementation of its on and offline experiences throughout the entire global value chain.

Richard has international e-commerce, distribution, supply chain and logistics experience in the consumer, retail and technology sectors, along with particular expertise in the Asia-Pacific region having lived and worked in mainland China for 10 years. From 2019 to 2023, Richard was Chief Commercial Officer and latterly President (Europe and Asia) for Ocado Solutions, driving the growth of this leading grocery e-commerce platform globally. Prior to this Richard was a strategy consultant for OC&C in London and China, building the company's presence in Asia-Pacific, before becoming a Senior Partner for the Consumer Goods and Retail practice of Oliver Wyman in Asia Pacific. During this time, he built extensive experience of the retail consumer market in China, and Asia-Pacific more broadly.

In February 2024, Jo LeCouilliard stepped down from the Board with the appointment of Camillo Pane as the new independent Chair of Alliance. Camillo Pane has over thirty years of relevant experience. He has held a number of senior positions at Reckitt Benckiser, including Senior Vice President and Global Category Officer for Consumer Health, before moving to Coty Inc, one of the largest beauty companies in the world, where, as CEO, he led the merger with Procter & Gamble Specialty Beauty. Most recently, he was Group CEO of Health & Happiness Group, a global Health and Nutrition company listed on the Hong Kong Stock Exchange with revenues of around $2bn.

On behalf of the entire Group, we would like to thank Jo for her contribution to the business.

On 8 May we announced that Peter Butterfield, Chief Executive Officer ("CEO"), has decided to leave the business. After an extensive search, Nick Sedgwick was appointed as the new CEO and joined Alliance on 13 May 2024.

Nick brings thirty years of consumer goods experience predominantly in health across European, US and global roles at major multinational companies such as Reckitt, Coty and Nestlé. Most recently Nick was Regional Director for UK and Ireland Consumer Health at Reckitt during which time he increased revenue and improved profitability in the second largest market for the company. Prior to this, Nick worked at Coty holding a number of senior roles including Senior Vice President for Global Sales and Commercial Capabilities, Senior Vice President Sales for the US business and General Manager Consumer Beauty for

UK and Ireland. Throughout his career, Nick has worked in multiple countries, always delivering high revenue growth through consumer-centric strategies, high performance teams and excellence in execution.

Outlook for 2024

Group performance in the five months to end May is in-line with the Board's expectation. Alliance's clear focus on the core Consumer Healthcare business, in addition to our well-established, scalable platform, is expected to deliver continued modest revenue growth.

As we continue to refine our strategy we intend to move towards smaller, more regular order fulfilment to create a more consistent revenue stream, reducing the stocking and destocking cycles we've experienced over the last two years as we've changed distributors, moved manufacturing and managed through the COVID environment. This is expected to yield mid-single digit revenue growth for the Kelo-Cote franchise in 2024, before returning to double-digit growth from 2025.

For Nizoral, there was a level of stock build in H1 23 to secure inventory supply during the move in manufacturing, which began to unwind in H2 23, a process that has continued through H1 24. Whilst we anticipate a strong H2 24 as we launch new products, Nizoral sales for FY 2024 are expected to be broadly in line with FY 2023.

In 2024 we will continue to increase investment in sales, marketing and innovation to maintain our brand leadership position in key categories.

The Board continues to anticipate that profits in FY 2024 will be in-line with FY 2023. As in previous years, performance is expected to be H2 weighted.

Alliance Pharma plc

INCOME STATEMENT

	Note	Year ended 31 December 2023			Year ended 31 December 2022		
		Underlying £000s	Non-Underlying £000s (Note 5)	Total £000s	Underlying £000s	Non-Underlying (restated[1]) £000s (Note 5)	Total (restated[1]) £000s
Revenue	**3, 15**	**180,680**	**–**	**180,680**	167,416	–	167,416
Cost of sales		**(75,661)**	**–**	**(75,661)**	(65,733)	–	(65,733)
Gross profit		**105,019**	**–**	**105,019**	101,683	–	101,683
Operating expenses							
Administration and marketing expenses	**5**	**(60,366)**	**6,147**	**(54,219)**	(63,955)	369	(63,586)
Amortisation of intangible assets	**5**	**(1,903)**	**(7,198)**	**(9,101)**	(1,964)	(7,238)	(9,202)
Impairment of goodwill and intangible assets	**5**	**–**	**(79,252)**	**(79,252)**	–	(46,492)	(46,492)
Share-based employee remuneration		**(889)**	**–**	**(889)**	(92)	–	(92)
Operating profit/(loss)		**41,861**	**(80,303)**	**(38,442)**	35,672	(53,361)	(17,689)
Finance expense	**6**	**(10,471)**	**–**	**(10,471)**	(5,433)	–	(5,433)
Finance income	**6**	**113**	**–**	**113**	72	–	72
Net finance expense		**(10,358)**	**–**	**(10,358)**	(5,361)	–	(5,361)
Profit/(loss) before taxation	**4**	**31,503**	**(80,303)**	**(48,800)**	30,311	(53,361)	(23,050)
Taxation	**5, 7**	**(6,915)**	**22,579**	**15,664**	(7,234)	9,076	1,842
Loss for the period attributable to equity shareholders		**24,588**	**(57,724)**	**(33,136)**	23,077	(44,285)	(21,208)
Earnings per share							
Basic (pence)	**9**	**4.55**		**(6.13)**	4.28		(3.93)
Diluted (pence)	**9**	**4.54**		**(6.13)**	4.23		(3.93)

All of the activities of the Group are classed as continuing.

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December 2023 £000s	Year ended 31 December 2022 (restated[1]) £000s
Loss for the year	**(33,136)**	(21,208)
Other comprehensive income		
Items that may be reclassified to profit or loss		
Foreign exchange translation differences (gross)	**(6,221)**	16,438
Foreign exchange translation differences (deferred tax)	**1,202**	(3,589)
Interest rate swaps - cash flow hedge (gross)	**(1,771)**	–
Interest rate swaps - cash flow hedge (deferred tax)	**443**	–
Foreign exchange forward contracts – cash flow hedge (gross)	**497**	111
Foreign exchange forward contracts – cash flow hedge (deferred tax)	**(122)**	(28)
Total comprehensive deficit for the year	**(39,108)**	(8,276)

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

Alliance Pharma plc

CONSOLIDATED BALANCE SHEET

	Note	31 December 2023 £000s	31 December 2022 (restated[1]) £000s
Assets			
Non-current assets			
Goodwill and intangible assets	**10**	**299,978**	393,372
Property, plant and equipment		**5,721**	5,578
Deferred tax		**4,648**	4,117
Derivative financial instruments		**77**	17
Other non-current assets		**404**	588
		310,828	403,672
Current assets			
Inventories		**25,711**	24,286
Trade and other receivables		**54,716**	49,324
Derivative financial instruments		**1,232**	157
Cash and cash equivalents		**22,436**	31,714
		104,095	105,481
Total assets		**414,923**	509,153
Equity			
Ordinary share capital	**13**	**5,404**	5,400
Share premium account		**151,684**	151,650
Share option reserve		**11,159**	10,141
Other reserve		**(329)**	(329)
Cash flow hedging reserve		**(822)**	131
Translation reserve		**7,411**	12,430
Retained earnings		**43,366**	86,094
Total equity		**217,873**	265,517
Liabilities			
Non-current liabilities			
Loans and borrowings	**11**	**113,646**	133,744
Derivative financial instruments		**1,771**	–
Other liabilities		**3,200**	3,415
Deferred tax liability		**37,863**	59,455
		156,480	196,614
Current liabilities			
Corporation tax		**2,454**	2,984
Trade and other payables		**37,066**	35,616
Derivative financial instruments		**413**	–
Provisions	**12**	**637**	8,422
		40,570	47,022
Total liabilities		**197,050**	243,636
Total equity and liabilities		**414,923**	509,153

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Ordinary share capital £000s	Share premium account £000s	Other reserve £000s	Cash flow hedging reserve £000s	Translation reserve £000s	Share option reserve £000s	Retained earnings £000s	Total equity £000s
Balance 1 January 2022		5,382	151,328	(329)	48	(419)	10,058	116,418	282,486
Issue of shares	**13**	18	322	–	–	–	–	–	340
Dividend paid	**8**	–	–	–	–	–	–	(9,116)	(9,116)
Share options charge (including deferred tax)		–	–	–	–	–	83	–	83
Transactions with owners		18	322	–	–	–	83	(9,116)	(8,693)
Loss for the year (restated[1])		–	–	–	–	–	–	(21,208)	(21,208)
Other comprehensive income									
Foreign exchange forward contracts – cash flow hedge (net of deferred tax)		–	–	–	83	–	–	–	83
Foreign exchange translation differences (net of deferred tax)		–	–	–	–	12,849	–	–	12,849
Total comprehensive deficit for the year (restated[1])		–	–	–	83	12,849	–	(21,208)	(8,276)
Balance 31 December 2022 (restated[1])		5,400	151,650	(329)	131	12,430	10,141	86,094	265,517
Balance 1 January 2023 (restated[1])		**5,400**	**151,650**	**(329)**	**131**	**12,430**	**10,141**	**86,094**	**265,517**
Issue of shares	**13**	**4**	**34**	**–**	**–**	**–**	**–**	**–**	**38**
Dividend paid	**8**	**–**	**–**	**–**	**–**	**–**	**–**	**(9,592)**	**(9,592)**
Share options charge (including deferred tax)		**–**	**–**	**–**	**–**	**–**	**1,018**	**–**	**1,018**
Transactions with owners		**4**	**34**	**–**	**–**	**–**	**1,018**	**(9,592)**	**(8,536)**
Loss for the year		**–**	**–**	**–**	**–**	**–**	**–**	**(33,136)**	**(33,136)**
Other comprehensive income									
Interest rate swaps - cash flow hedge (net of deferred tax)		**–**	**–**	**–**	**(1,328)**	**–**	**–**	**–**	**(1,328)**
Foreign exchange forward contracts – cash flow hedge (net of deferred tax)		**–**	**–**	**–**	**375**	**–**	**–**	**–**	**375**
Foreign exchange translation differences (net of deferred tax)		**–**	**–**	**–**	**–**	**(5,019)**	**–**	**–**	**(5,019)**
Total comprehensive deficit for the year		**–**	**–**	**–**	**(953)**	**(5,019)**	**–**	**(33,136)**	**(39,108)**
Balance 31 December 2023		**5,404**	**151,684**	**(329)**	**(822)**	**7,411**	**11,159**	**43,366**	**217,873**

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

CONSOLIDATED CASH FLOW STATEMENT

	Note	Year ended 31 December 2023 £000s	Year ended 31 December 2022 £000s
Cash flows from operating activities			
Cash generated from operations	**14**	**36,934**	24,929
Tax paid		**(5,524)**	(3,957)
Cash flows from operating activities		**31,410**	20,972
Investing activities			
Acquisitions and deferred consideration		**(222)**	(16,618)
Purchase of intangibles		**–**	(249)
Purchase of property, plant and equipment		**(696)**	(358)
Proceeds from reimbursement of property costs		**–**	200
Net cash used in investing activities		**(918)**	(17,025)
Financing activities			
Interest paid and similar charges		**(9,433)**	(4,804)
Capital lease payments		**(867)**	(961)
Proceeds from exercise of share options		**37**	341
Dividend paid	**8**	**(9,592)**	(9,116)
Loan issue costs		**(1,338)**	–
Proceeds from borrowings		**–**	14,925
Repayment of borrowings		**(18,000)**	(1,261)
Net cash provided used in financing activities		**(39,193)**	(876)
Net movement in cash and cash equivalents		**(8,701)**	3,071
Cash and cash equivalents at 1 January		**31,714**	29,061
Exchange losses on cash and cash equivalents		**(577)**	(418)
Cash and cash equivalents at 31 December		**22,436**	31,714

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2023

1. General information

Alliance Pharma plc ('the Company') and its subsidiaries (together "the Group") acquire, market and distribute pharmaceutical and other medical products. The Company is a public limited company, limited by shares, registered, incorporated and domiciled in England and Wales in the UK. The address of its registered office is Avonbridge House, Bath Road, Chippenham, Wiltshire, SN15 2BB. The Company is listed on the AIM stock exchange.

The financial information set out in the announcement does not constitute the Group's statutory accounts for the year ended 31 December 2023 or 31 December 2022. The auditors reported on those accounts and their report was (i) unqualified, (ii) did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain statements under section 498 (2) or (3) of the Companies Act 2006. The statutory accounts for the year ended 31 December 2023 have not yet been delivered to the Registrar of Companies.

Going concern

On 15 August 2023, the Group agreed a new £150.0m fully Revolving Credit Facility ("RCF"), together with a £65.0m Accordion. The facility was agreed with its existing syndicate of lenders, replacing the previous RCF which ran through to July 2024. This new facility is available until August 2026, with two further one-year extension options.

The RCF is drawn in short- to medium-term tranches of debt which are repayable within 12 months of draw-down. Under the terms of the facility agreement, the lenders are obliged to revolve maturing loans and the Group is not obliged to make any loan repayments, provided certain conditions are met, including covenant compliance. Consequently, the Directors have presented the RCF as a non-current liability.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements (the going concern period) and these forecasts indicate that the Group will have sufficient funds, given the RCF financing available, to meet its liabilities as they fall due for that period.

Also, the Directors have considered severe but plausible downside scenarios, including a scenario that models a 25% reduction in the Group's gross profit in Q4 2024. Even under this severe but plausible downside scenario, forecasts indicate that the Group will have sufficient funds to meet its liabilities as they fall due, and will continue to comply with its loan covenants throughout the forecast period. The Directors also considered a reverse stress test scenario which indicates that a decline in monthly EBITDA against forecast from July 2024 of over 30% would be needed to result in a breach of loan covenants. The Directors consider this remote. In addition, there are mitigating actions that Management can take in order to maintain covenant compliance in even more extreme downside scenarios.

Consequently, the Directors consider that it is highly unlikely it would be unable to exercise its right to roll over the debt and are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. The Directors have, therefore, determined it is appropriate to adopt the going concern basis in preparing the financial statements.

2. Prior year restatement

Amberen

The impairment review undertaken for Amberen as at 31 December 2023 identified errors in the valuation model used for the prior year impairment assessment, the correction of which requires a prior year restatement as at 31 December 2022.

This adjustment is regarded as an error in the impairment review performed as at 31 December 2022, rather than a change in estimate, as the model did not include information that was available when the financial statements were authorised for issue and which could reasonably be expected to have been obtained and taken into account in the Directors' assessment of impairment. Due to the materiality of this error, the carrying value of the Amberen intangible asset and goodwill have been restated as at 31 December 2022.

The error arises from a combination of information that was available or could reasonably be expected to have been obtained at 31 December 2022, and prior to the date when the financial statements were authorised for issue, in relation to cash flow assumptions, together with mechanical and methodology errors within the model. This included errors within key assumptions, including short-term revenue growth rates, short-term cost of sales growth rates and terminal value marketing spend. In addition to this, there were errors relating to long term growth rates and warehouse and distribution costs. Under IAS 36 the valuation methodology should also have reflected the fair value less costs of disposal, including tax benefits that are not entity specific, since that was higher than the value in use.

Following adjustment for the net impact of these corrections, the impairment charge and associated deferred tax credit for Amberen in the prior year would have totalled £27.6m for the year ended 31 December 2022, compared to the impairment charge of £12.0m previously recognised. This prior year adjustment of £15.6m (net of deferred tax) comprises impairment of goodwill of £5.0m, impairment of brand intangible asset of £14.9m and deferred tax credit of £4.3m and has been written off to the consolidated income statement for the year ended 31 December 2022. We have also considered the impact on the 2022 opening position, and concluded the reported goodwill and intangible asset figures for 31 December 2021 are free from material error.

Other intangible assets

The impairment reviews undertaken for other brand goodwill and intangible assets as at 31 December 2023 identified errors in the valuation models used in the prior year impairment assessment, the correction of which requires a prior year restatement as at 31 December 2022.

Errors in these other brand goodwill and intangible assets arose in relation to information that was available or could reasonably be expected to have been obtained at 31 December 2022, and prior to the date when the financial statements were authorised for issue, in relation to cash flow assumptions. Following adjustment for the net impact of these corrections, the impairment charge in the prior year would have been £8.3m higher and the related deferred tax credit £1.8m higher for the year ended 31 December 2022 (net impact £6.5m). This prior year adjustment has been written off to the consolidated income statement for the year ended 31 December 2022. We have also considered the impact on the 2022 opening position, and concluded the reported intangible asset figures for 31 December 2021 are free from material error.

The £8.3m impairment charge impact is summarised by brand below:

Brand	**Impact of restatement £000s**
Flamma	3,444
Opus Range	1,849
Prochlorperazine	1,100
Others	1,912
Total	**8,305**

A summary of the impact of the prior year adjustment on the consolidated income statement and consolidated statement of comprehensive income for the year ended 31 December 2022 and consolidated balance sheet as at 31 December 2022 is as follows:

Impact on the consolidated income statement

	Year ended 31 December 2022			
	As previously reported £000s	**Amberen £000s**	**Other intangible assets £000s**	**Restated £000s**
Gross profit	101,683	–	–	101,683
Operating expenses				
Administration and marketing expenses	(63,586)	–	–	(63,586)
Amortisation of intangible assets	(9,202)	–	–	(9,202)
Impairment of goodwill and intangible assets	(18,234)	(19,953)	(8,305)	(46,492)
Share-based employee remuneration	(92)	–	–	(92)
Operating profit/(loss)	10,569	(19,953)	(8,305)	(17,689)
Total finance costs	(5,361)	–	–	(5,361)
Profit/(loss) before taxation	5,208	(19,953)	(8,305)	(23,050)
Taxation	(4,272)	4,343	1,771	1,842
Profit/(loss) for the period attributable to equity shareholders	936	(15,610)	(6,534)	(21,208)
Earnings per share				
Impact on Basic (pence)	0.17	(2.88)	(1.22)	(3.93)
Impact on Diluted (pence)	0.17	(2.88)	(1.22)	(3.93)

Impact on the consolidated statement of comprehensive income

	Year ended 31 December 2022			
	As previously reported £000s	Amberen £000s	Other intangible assets £000s	Restated £000s
Loss for the year	936	(15,610)	(6,534)	(21,208)
Other comprehensive income	12,932	–	–	12,932
Total comprehensive income/(deficit) for the year	13,868	(15,610)	(6,534)	(8,276)

Impact on the consolidated balance sheet

	As at 31 December 2022			
	As previously reported £000s	Amberen £000s	Other intangible assets £000s	Restated £000s
Assets				
Goodwill and intangible assets	421,630	(19,953)	(8,305)	393,372
Other assets	115,781	–	–	115,781
Total assets	537,411	(19,953)	(8,305)	509,153
Equity				
Retained earnings	108,238	(15,610)	(6,534)	86,094
Other equity	179,423	–	–	179,423
Total equity	287,661	(15,610)	(6,534)	265,517
Liabilities				
Deferred tax liability	65,569	(4,343)	(1,771)	59,455
Other liabilities	184,181	–	–	184,181
Total liabilities	249,750	(4,343)	(1,771)	243,636
Total equity and liabilities	537,411	(19,953)	(8,305)	509,153

Impact on the consolidated cash flow statement

There is no impact on cash generated from operations and the subsequent consolidated cash flow statement. The impact on the operating cash reconciliation is shown below.

	Year ended 31 December 2022			
	As previously reported £000s	Amberen £000s	Other intangible assets £000s	Restated £000s
Profit/(loss) for the year	936	(15,610)	(6,534)	(21,208)
Taxation	4,272	(4,343)	(1,771)	(1,842)
Amortisation and impairment of intangibles	27,436	19,953	8,305	55,694
Other movements	(7,715)	–	–	(7,715)
Cash generated from operations	24,929	–	–	24,929

3. Revenue and segmental information

The Group's reportable segments are the strategic business units that represent different parts of the overall product portfolio, these being Consumer Healthcare brands and Prescription Medicines. The business units are managed separately as each portfolio requires different expertise to deliver the corresponding product offering as a result of the inherently different characteristics of these product types.

Operating segments reflect the way in which information is presented to and reviewed by the Chief Operating Decision Maker ('the CODM') for the purposes of making strategic decisions and assessing Group-wide performance. The Group's Board of Directors ('the Board') is the Group's CODM. The Group evaluates performance of the operational segments on the basis of revenue and gross profit. Underlying gross profit is consistent with that reported on a statutory basis. Other than intangible assets, assets and liabilities are reported to the Board at Group level and are not separated segmentally.

Revenue information By Brand	**Year ended 31 December 2023 £000s**	**Year ended 31 December 2022 £000s**
Consumer Healthcare brands:		
Kelo-Cote franchise	**63,209**	50,039
Amberen	**11,218**	14,909
Nizoral *	**19,648**	17,231
MacuShield	**9,199**	9,080
Aloclair	**7,959**	9,272
Vamousse	**4,407**	4,602
Other consumer healthcare brands	**18,692**	15,489
Total revenue – Consumer healthcare brands	**134,332**	120,622
Prescription Medicines:		
Hydromol	**9,042**	8,070
Flamma Franchise	**5,990**	6,548
Forceval	**6,606**	5,872
Other prescription medicines	**24,710**	26,304
Total revenue – Prescription medicines	**46,348**	46,794
Total Revenue	**180,680**	167,416

* Nizoral statutory revenue includes revenue generated on an agency basis. Nizoral revenue presented on a see-through income statement basis is included as an alternative performance measure in note 15.

Revenue information by Geography

Classification by geography is based on customer location.

Revenue information By Geography	Year ended 31 December 2023 £000s	Year ended 31 December 2022 £000s
Europe, Middle East and Africa (EMEA)	**79,199**	78,920
Asia Pacific and China (APAC)	**72,422**	59,186
Americas (AMER)	**29,059**	29,310
Total Revenue	**180,680**	167,416

Operating Segment Results

	Year ended 31 December 2023		
	Consumer Healthcare £000s	Prescription Medicines £000s	Total £'000s
Revenue	**134,332**	**46,348**	**180,680**
Cost of Sales	**(51,605)**	**(24,056)**	**(75,661)**
Gross Profit	**82,727**	**22,292**	**105,019**

	Year ended 31 December 2022		
	Consumer Healthcare £000s	Prescription Medicines £000s	Total £'000s
Revenue	120,622	46,794	167,416
Cost of Sales	(43,019)	(22,714)	(65,733)
Gross Profit	77,603	24,080	101,683

Major customers

The net revenues from the Group's largest customers in the year ended 31 December 2023 (customers separately comprising more than 10% of the Group's revenue) are as follows.

	Year ended 31 December 2023 £000s	Year ended 31 December 2022 £000s
Major customer 1 (Consumer healthcare sales in APAC)	**21,201**	17,898
Major customer 2 (Consumer healthcare sales in APAC)	**20,200**	14,342

4. Profit before taxation

Profit before taxation is stated after charging/(crediting):	Year ended 31 December 2023 £000	Year ended 31 December 2022 (restated[1]) £000
Amounts receivable by the Company's auditor and its associates in respect of		
– The audit of these financial statements	**1,388**	480
– The audit of the financial statements of subsidiaries	**269**	220
– Other assurance services (covenant compliance and other regulatory compliance services)	**21**	17
Amortisation of intangible assets	**9,101**	9,202
Impairment of intangible assets	**79,252**	46,492
CMA provision release	**(7,900)**	–
Share options charge	**889**	92
Depreciation of plant, property and equipment	**1,225**	1,558
Loss/(gain) on foreign exchange transactions	**480**	(56)

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

5. Non-underlying items

The Group presents a number of non-IFRS measures which exclude the impact of significant non-underlying items. This is to provide investors with a view of the measures used by management to monitor the ongoing business performance, and can exclude items such as: amortisation and impairment of acquired intangible assets; restructuring costs; significant gains or losses on disposal; one-off project costs; remeasurement and accounting for the passage of time in respect of contingent considerations; and the revaluation of deferred tax balances following substantial tax legislation changes. This assessment requires judgement to be applied by the Directors as to which transactions are non-underlying and whether this classification enhances the understanding of the users of the financial statements.

	Year ended 31 December 2023 £000s	**Year ended 31 December 2022 (restated[1]) £000s**
Amortisation of intangible assets	**(7,198)**	(7,238)
Impairment of goodwill and intangible assets	**(79,252)**	(46,492)
CMA provision release	**7,900**	–
Other	**(1,753)**	369
Total non-underlying items before taxation	**(80,303)**	(53,361)
Taxation on non-underlying items	**22,579**	9,076
Total non-underlying items after taxation	**(57,724)**	(44,285)

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

Amortisation of intangible assets

The amortisation costs of acquired intangible assets are a significant item considered unrelated to trading performance, and as such have been presented as non-underlying. This classification is in line with the majority of peer companies of the Group.

Impairment of goodwill and intangible assets

As a result of the impairment review for the year ended 31 December 2023, the following impairment charges were identified:

- Goodwill and Consumer Healthcare brand relating to Amberen™ impaired by £46.4m, gross of £13.5m deferred tax credit (2022: £31.9m restated) following reassessment of the expected future cash flows generated, taking into account past performance, contractual arrangements and cost estimates, including marketing spend, and a higher cost of capital due to the overall increase in borrowing rates.
- Consumer Healthcare brand relating to Nizoral impaired by £10.3m (2022: £nil), following reassessment of the expected future cash flows generated, taking into account past performance, contractual arrangements and cost estimates, including marketing spend, and a higher cost of capital due to the overall increase in borrowing rates.
- Following impairment indicators identified, Prescription Medicine brand and distribution rights assets with a finite life and associated goodwill have been impaired by £16.2m (2022: £13.1m restated) due to viability of future sales in the current market, increasing costs resulting from changes in the regulatory framework, and a higher cost of capital due to the overall increase in borrowing rates.
- Following impairment indicators identified, Other Consumer Healthcare brand and distribution rights assets with a finite life have been impaired by £6.3m (2022: £1.5m restated) due to viability of future sales in the current market.

The impairment losses are significant items resulting from changes in assumptions for future recoverable amounts. As such they are considered unrelated to trading performance and have been presented as non-underlying, consistent with the treatment in prior years.

CMA provision release

The provision of £7.9m relating to the CMA Infringement Decision has been released following the announcement that the Group's appeal had been upheld. This is detailed further in note 12. This is considered unrelated to 2023 trading performance, and has been presented as non-underlying.

Other non-underlying items

Other non-underlying costs relate to one-off legal and professional costs. These costs are significant items considered unrelated to trading performance, and as such have been presented as non-underlying.

6. Finance income and expense

	Year ended 31 December 2023 £000s	Year ended 31 December 2022 £000s
Finance expense		
Interest payable on loans and overdrafts	**(9,418)**	(4,668)
Amortised finance issue costs	**(461)**	(648)
Interest on lease liabilities	**(112)**	(117)
Net exchange losses	**(480)**	–
	(10,471)	(5,433)
Finance income		
Interest income	**113**	16
Net exchange gains	**–**	56
	113	72
Finance expense – net	**(10,358)**	(5,361)

7. Taxation

Analysis of the charge for the period is as follows:

	Year ended 31 December 2023 £000s	Year ended 31 December 2022 (restated[1]) £000s
Corporation tax		
In respect of current period	**4,810**	5,669
Adjustment in respect of prior periods	**193**	110
	5,003	5,779
Deferred tax		
Origination and reversal of temporary differences	**(20,662)**	(6,951)
Adjustment in respect of prior periods	**(5)**	(670)
Taxation	**(15,664)**	(1,842)

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	Year ended 31 December 2023 £000s	Year ended 31 December 2022 (restated[1]) £000s
Loss before taxation	**(48,800)**	(23,050)
Loss before taxation multiplied by the blended standard rate of corporation tax in the United Kingdom of 23.50% (2022: 19.00%)	**(11,468)**	(4,380)
Effect of:		
Non-deductible expenses	**(587)**	3,777
Adjustment in respect of prior periods	**188**	(560)
Differences between current and deferred tax rates	**(2,963)**	(2,043)
Differing tax rates on overseas earnings	**(274)**	(266)
Unrecognised losses	**(13)**	(6)
Foreign exchange	**(869)**	1,427
Share options	**262**	315
Movement in other tax provisions	**60**	(106)
Total taxation	**(15,664)**	(1,842)

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

A change to UK corporation tax was announced in the Budget on 3 March 2021, increasing the main rate of UK corporation tax from 19% to 25% with effect from 1 April 2023.

Non-deductible expenses primarily relate to the release of the provision for the CMA fine, offset by the impairment/amortisation of certain intangible assets which do not qualify for tax relief and so represent a permanent difference.

The Group has calculated 'underlying effective tax rate' as an alternative performance measure in note 15.

8. Dividends

	Year ended 31 December 2023	
	Pence / share	**£'000s**
Amounts recognised as distributions to owners in 2023		
Interim dividend for the 2022 financial year	**0.592**	**3,197**
Final dividend for the 2022 financial year	**1.184**	**6,395**
Total dividend	**1.776**	**9,592**

	Year ended 31 December 2022	
	Pence / share	**£'000s**
Amounts recognised as distributions to owners in 2022		
Interim dividend for the 2021 financial year	0.563	3,030
Final dividend for the 2021 financial year	1.128	6,086
Total dividend	1.691	9,116

9. Earnings per share (EPS)

Basic EPS is calculated by dividing the earnings attributable to Ordinary shareholders by the weighted average number of Ordinary shares in issue during the year. For diluted EPS, the weighted average number of Ordinary shares in issue is adjusted to assume conversion of all dilutive potential Ordinary shares. There are no differences in earnings used to calculate each measure as a result of the dilutive employee share options.

A reconciliation of the weighted average number of Ordinary shares used in the measures is given below:

	Year ended 31 December 2023	**Year ended 31 December 2022**
Basic EPS calculation	**540,144,706**	539,480,306
Employee share options	**1,210,980**	5,800,317
Diluted EPS calculation	**541,355,686**	545,280,623

As the Group made a reported loss in the current and prior periods, the dilutive potential Ordinary shares have not been included in the calculation for Diluted EPS as the exercise of share options would have the effect of reducing the loss per share, and therefore is not dilutive. The underlying basic EPS is intended to demonstrate recurring elements of the results of the Group before non-underlying items. A reconciliation of the earnings used in the different measures is given below:

	Year ended 31 December 2023 £000s	**Year ended 31 December 2022 (restated[1]) £000s**
Earnings for basic EPS	**(33,136)**	(21,208)
Non-underlying items (note 5)	**57,724**	44,285
Earnings for underlying basic EPS	**24,588**	23,077

The resulting EPS measures are:

	Year ended 31 December 2023 Pence	Year ended 31 December 2022 (restated[1]) Pence
Basic EPS	**(6.13)**	(3.93)
Diluted EPS	**(6.13)**	(3.93)
Underlying basic EPS	**4.55**	4.28
Underlying diluted EPS	**4.54**	4.23

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

10. Goodwill and intangible assets

	Goodwill £000s	Consumer Healthcare brands and distribution rights £000s	Prescription Medicines brands and distribution rights £000s	Computer software £000s	Total £000s
Cost					
At 1 January 2023	**34,626**	**291,762**	**152,691**	**15,292**	**494,371**
Exchange adjustments	**(211)**	**(4,410)**	**(394)**	**(26)**	**(5,041)**
At 31 December 2023	**34,415**	**287,352**	**152,297**	**15,266**	**489,330**
Amortisation and impairment					
At 1 January 2023 (as previously reported)	13,096	9,575	46,744	3,326	72,741
Impact of restatement	6,832	15,310	6,116	–	28,258
At 1 January 2023 (restated[1])	**19,928**	**24,885**	**52,860**	**3,326**	**100,999**
Non-underlying impairment for the year	**–**	**63,010**	**16,242**	**–**	**79,252**
Non-underlying amortisation for the year	**–**	**438**	**6,760**	**–**	**7,198**
Underlying amortisation for the year	**–**	**–**	**–**	**1,903**	**1,903**
At 31 December 2023	**19,928**	**88,333**	**75,862**	**5,229**	**189,352**
Net book amount					
At 31 December 2023	**14,487**	**199,019**	**76,435**	**10,037**	**299,978**
At 1 January 2023 (as previously reported)	21,530	282,187	105,947	11,966	421,630
Impact of restatement	(6,832)	(15,310)	(6,116)	–	(28,258)
At 1 January 2023 (restated[1])	**14,698**	**266,877**	**99,831**	**11,966**	**393,372**

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

11. Loans and borrowings

On 15 August 2023, the Group agreed a new £150.0m fully Revolving Credit Facility, together with a £65.0m Accordion. The facility was agreed with its existing syndicate of lenders, replacing the previous RCF which ran through to July 2024. This new facility is available until August 2026, with two further one-year extension options. This has been classified as a non-current liability. The bank facility is secured by a fixed and floating charge over the Company's and Group's assets registered with Companies House. The loan commitments are all 'investment grade' as at the balance sheet date. Pursuant to its terms, the Group is obliged to deliver a copy of its audited annual financial statements to the lenders within 120 days of the year-end. In light of the potential delays caused by the audit process, the Group sought and received an extension from the lenders to this obligation, giving the Group until 21 June 2024 to deliver a copy of its audited annual financial statements to the lenders, and therefore fulfilling its obligations.

Non-current	31 December 2023 £000s	31 December 2022 £000s
Bank loans:		
Secured	**114,844**	134,065
Finance issue costs	**(1,198)**	(321)
	113,646	133,744

Movement in loans and borrowings	31 December 2023 £000s	31 December 2022 £000s
At 1 January	**133,744**	116,060
Net (payments)/receipts from borrowing	**(18,000)**	13,664
Additional prepaid arrangement fees	**(1,338)**	–
Amortisation of prepaid arrangement fees	**461**	648
Exchange movements *	**(1,221)**	3,372
At 31 December	**113,646**	133,744

* Exchange movements on loans and borrowings with effective net investment hedges are reported in other comprehensive income and accumulated in the translation reserve.

12. Provisions

	CMA provision £000s	Restructuring provision £000s	Onerous contract provision £000s	Total £000s
At 1 January 2023	**7,900**	**522**	**–**	**8,422**
Charge to income statement	**(7,900)**	**–**	**462**	**(7,438)**
Provisions utilised during the year	**–**	**(338)**	**–**	**(338)**
Exchange differences	**–**	**(9)**	**–**	**(9)**
At 31 December 2023	**–**	**175**	**462**	**637**

On 23 May 2019, the UK's Competition and Markets Authority ("CMA") issued a Statement of Objection alleging an anti-competitive agreement involving the Group and certain other pharmaceutical Companies in relation to the sale of prescription prochlorperazine.

On 3 February 2022, the CMA announced its finding that four Companies, including Alliance, had infringed competition law ("the Infringement Decision"). The Alliance Board fundamentally disagreed with the CMA's finding and appealed the Infringement Decision at the Competition Appeal Tribunal (CAT), with those proceedings closing on 4 August 2023.

In a unanimous judgment published on 23 May 2024, the CAT upheld Alliance's appeal, finding that there was no agreement to exclude competition from the market and no breach of competition law. The CMA's decision and £7.9m penalty imposed on Alliance have been set aside. As such, the £7.9m provision which was recorded at 31 December 2021 has now been released.

The restructuring provision of £0.2m at 31 December 2023 (2022: £0.5m) relates to the balance of restructuring costs in relation to the closure of the Milan office following a change to the operating model for our direct-to-market business in Italy in 2022.

The onerous contract provision of £0.5m at 31 December 2023 (2022: £nil) relates to a contractual commitment to purchase inventory for which it is uncertain that the necessary licence for sale will be granted.

The remaining related outflows are expected to occur in the year ending 31 December 2024.

13. Share capital

	Allotted, called up and fully paid	
	No. of shares	£000s
At 1 January 2022 – ordinary shares of 1p each	538,225,524	5,382
Issued during the year	1,769,562	18
At 31 December 2022 – ordinary shares of 1p each	539,995,086	5,400
Issued during the year	394,994	4
At 31 December 2023 – ordinary shares of 1p each	**540,390,080**	**5,404**

Between 1 January 2023 and 31 December 2023 394,994 shares were issued on the exercise of employee share options (2022: 1,769,562).

The holders of Ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Managing Capital

Our objective in managing the business's capital structure is to ensure that the Group has the financial capacity, liquidity and flexibility to support the existing business and to fund acquisition opportunities as they arise.

The capital structure of the Group consists of net bank debt and shareholders' equity. At 31 December 2023 net debt was £91.2m (2022: £102.0m) (note 15), whilst shareholders' equity was £217.9m (2022: 265.5m restated).

The business is profitable and cash-generative. The main financial covenants applying to bank debt are that leverage (the ratio of net bank debt to EBITDA) should not exceed 3.0 times, and interest cover (the ratio of EBITDA to finance charges) should not be less than 4.0 times. The Group complied with both of these covenants in 2023 and 2022.

Smaller acquisitions are typically financed using bank debt, while larger acquisitions typically involve a combination of bank debt and additional equity. The mixture of debt and equity is varied, taking into account the desire to maximise the shareholder returns while keeping leverage at comfortable levels..

14. Cash generated from operations

	Year ended 31 December 2023 £000s	Year ended 31 December 2022 (restated[1]) £000s
Loss for the year	**(33,136)**	(21,208)
Taxation	**(15,664)**	(1,842)
Interest payable and similar charges	**9,991**	5,433
Interest income	**(113)**	(16)
Unrealised foreign exchange gain	**(423)**	(56)
Depreciation of property, plant and equipment	**1,225**	1,558
Amortisation and impairment of intangibles	**88,353**	55,694
Change in inventories	**(1,859)**	(2,209)
Change in trade and other receivables	**(6,481)**	(18,720)
Change in trade and other payables	**1,937**	7,281
Change in provisions	**(7,785)**	(1,078)
Share-based employee remuneration	**889**	92
Cash generated from operations	**36,934**	24,929

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

15. Alternative performance measures

The performance of the Group is assessed using Alternative Performance Measures ('APMs'). The Group's results are presented both before and after non-underlying items. Adjusted profitability measures are presented excluding non-underlying items as we believe this provides both management and investors with useful additional information about the Group's performance and aids a more effective comparison of the Group's trading performance from one period to the next and with similar businesses. In addition, the Group's results are described using certain other measures that are not defined under IFRS and are therefore considered to be APMs. These measures are used by management to monitor ongoing business performance against both shorter-term budgets and forecasts but also against the Group's longer-term strategic plans. APMs used to explain and monitor Group performance are as follows:

Measure	**Definition**	**Reconciliation to GAAP measure**
Underlying EBIT and EBITDA	Earnings before interest, tax and non-underlying items (EBIT also referred to as underlying operating profit), then depreciation, amortisation and impairment (EBITDA). Calculated by taking profit before tax and financing costs, excluding non-underlying items and adding back depreciation and amortisation. EBITDA margin is calculated using see-though revenue.	Note A below
Free cash flow	Free cash flow is defined as cash generated from operations less cash payments made for interest payable and similar charges, capital expenditure and tax.	Note B below
Net debt	Net debt is defined as the group's gross bank debt position net of finance issue costs and cash.	Note C below
Underlying effective tax rate	Underlying effective tax rate is calculated by dividing total taxation for the year less impact of tax rate changes and non-underlying charges, by the underlying profit before tax for the year.	Note D below
Operating costs	Defined as underlying administration and marketing expenses, excluding depreciation and underlying amortisation charges.	Note E below
See-through income statement	Under the terms of the transitional services agreement with certain supply partners, Alliance receives the benefit of the net profit on sales of Nizoral from the date of acquisition up until the product licences in the Asia-Pacific territories transfer to Alliance. The net product margin is recognised as part of statutory revenue. The see-through income statement recognises the underlying sales and cost of sales which give rise to the net product margin, as management consider this to be a more meaningful representation of the underlying performance of the business, and to reflect the way in which it is managed	Note F below
Constant exchange rate (CER) revenue	Like-for-like revenue, impact of acquisitions and total see-through revenue stated so that the portion denominated in non-sterling currencies is retranslated using foreign exchange rates from the previous financial year.	Note G below
Like-for-like	Like-for-like figures compare financial results in one period with those for the previous period, excluding the impact of acquisitions and disposals made in either period. For 2023, like-for-like revenue excludes the impact of ScarAway™ and Kelo-Cote™ US generated in the first three months of 2023 following the acquisition in March 2022.	Note G below

A. Underlying EBIT and EBITDA

Reconciliation of Underlying EBIT and EBITDA	**Year Ended 31 December 2023 £000s**	**Year Ended 31 December 2022 (restated[1]) £000s**
Loss before tax	**(48,800)**	(23,050)
Non-underlying items (note 5)	**80,303**	53,361
Underlying PBT	**31,503**	30,311
Finance costs (note 6)	**10,358**	5,361
Underlying EBIT	**41,861**	35,672
Depreciation	**1,225**	1,558
Underlying amortisation	**1,903**	1,964
Underlying EBITDA	**44,989**	39,194
Underlying EBITDA margin	**24.6%**	22.8%

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

B. Free cash flow

Reconciliation of free cash flow	Year Ended 31 December 2023 £000s	Year Ended 31 December 2022 £000s
Cash generated from operations (note 14)	**36,934**	24,929
Interest payable and similar charges	**(9,433)**	(4,804)
Capital expenditure	**(696)**	(407)
Tax paid	**(5,524)**	(3,957)
Free cash flow	**21,281**	15,761

C. Net debt

Reconciliation of net debt	Note	31 December 2023 £000s	31 December 2022 £000s
Loans and borrowings – non-current	**11**	**(113,646)**	(133,744)
Cash and cash equivalents	**14**	**22,436**	31,714
Net debt		**(91,210)**	(102,030)

D. Underlying effective tax rate

Reconciliation of adjusted underlying effective tax rate	Year Ended 31 December 2023 £000s	Year Ended 31 December 2022 (restated[1]) £000s
Total taxation credit for the year	**15,664**	1,842
Non-underlying tax credit	**(22,579)**	(9,076)
Underlying taxation charge for the year	**(6,915)**	(7,234)
Underlying profit before tax for the year	**31,503**	30,311
Underlying effective tax rate	**22.0%**	23.9%

1 See note 2 for an explanation and analysis of the prior year restatement in respect of 31 December 2022.

E. Operating costs

Reconciliation of operating costs	Year Ended 31 December 2023 £000s	Year Ended 31 December 2022 £000s
Total administration and marketing expenses	**(54,219)**	(63,586)
Non-underlying administration and marketing expenses	**(6,147)**	(369)
Depreciation	**1,225**	1,558
Operating costs	**(59,141)**	(62,397)

F. See-through income statement

	2023 statutory values £000s	See-through adjustment £000s	2023 see-through values £000s
Revenue – Consumer healthcare brands	**134,332**	**2,032**	**136,364**
Revenue – Prescription Medicines	**46,348**	**–**	**46,348**
Total Revenue	**180,680**	**2,032**	**182,712**
Cost of sales	**(75,661)**	**(2,032)**	**(77,693)**
Gross profit	**105,019**	**–**	**105,019**
Gross profit margin	**58.1%**	**–**	**57.5%**

	2022 statutory values £000s	See-through adjustment £000s	2022 see-through values £000s
Revenue – Consumer healthcare brands	120,622	4,594	125,216
Revenue – Prescription Medicines	46,794	-	46,794
Total Revenue	167,416	4,594	172,010
Cost of sales	(65,733)	(4,594)	(70,327)
Gross profit	101,683	-	101,683
Gross profit margin	60.7%	-	59.1%

There is no impact from the see-through adjustment on income statement lines below gross profit.

G. Constant exchange rate revenue

See-through revenue	2023 £000s	Foreign exchange impact £000s	2023 CER £000s
LFL see-through revenue - Consumer Healthcare brands	**133,768**	**2,606**	**136,374**
LFL see-through revenue - Prescription Medicines	**46,348**	**(233)**	**46,115**
Like-for-like see-through revenue	**180,116**	**2,373**	**182,489**
Impact of acquisitions (ScarAway & US Kelo-Cote)	**2,596**	**(245)**	**2,351**
See-through revenue (Note F)	**182,712**	**2,128**	**184,840**

Statutory revenue	2023 £000s	Foreign exchange impact £000s	2023 CER £000s
LFL statutory revenue - Consumer Healthcare brands	**131,736**	**2,606**	**134,342**
LFL statutory revenue - Prescription Medicines	**46,348**	**(233)**	**46,115**
Like-for-like statutory revenue	**178,084**	**2,373**	**180,457**
Impact of acquisitions (ScarAway & US Kelo-Cote)	**2,596**	**(245)**	**2,351**
Statutory revenue (Note F)	**180,680**	**2,128**	**182,808**

Peter Butterfield

Director

18 June 2024

Andrew Franklin

Chief Financial Officer

18 June 2024